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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, October 9, 1998

APPLICATION OF

C & P ISLE OF WIGHT WATER COMPANY

CASE NO. PUE980368

For certificates pursuant to §§ 56-265.2 and 56-265.3 D. of the Code of Virginia

and

PETITION OF

C & P ISLE OF WIGHT WATER COMPANY

CASE NO. PUA980017

For approval to acquire water supply facilities

ORDER SEVERING QUEEN ANNE'S COURT SUBDIVISION AND PRESCRIBING NOTICE

On July 13, 1998, C & P Isle of Wight Water Company

("C & P" or "the Company") filed an application ("the

Application") requesting authority, pursuant to § 56-265.2 of

the Code of Virginia ("Code"), for a certificate authorizing it

to acquire water facilities in the Queen Anne's Court

subdivision; to construct water facilities for the Cedar

Grove/Quail Meadows area of the Brewer's Creek subdivision; and

to construct water facilities for the Carrollton Meadows area of

the Ashby subdivision. All of these water systems are located in Isle of Wight County, Virginia.

In the Application, the Company also requests authority, pursuant to § 56-265.3 D., to amend its current certificate of public convenience and necessity (Certificate No. W-283a) to include the above referenced areas in its service territory. In addition, C & P requests that it be relieved from its current obligation to maintain separate usage and cost information for each of its water systems and to provide such information to the Commission's Staff on an annual basis.

The Company notes that it currently has a petition pending before the Commission requesting approval, pursuant to the Utility Transfers Act (§§ 56-88 et. seq. of the Code), for C & P to acquire and for DLG Utility Corporation ("DLG") to dispose of water facilities in the Queen Anne's Court subdivision ("the Petition"). The Company requests that such authority be granted simultaneously with the granting of the requested certificates.

By letter dated September 1, 1998, the Company requested that consideration of the application for authority to acquire water facilities in the Queen Anne's Court subdivision be severed from consideration of the amendment of the Company's existing territorial certificate to add the subdivisions known as Cedar Grove/Quail Meadows and Carrollton Meadows. The letter also requested that consideration of the application for

authority to acquire water facilities be acted upon simultaneously with the Company's pending application for approval of the transfer of water supply assets, Case No. PUA980017.

Having considered the request of C & P, the Commission has determined that it would be expedient to consider the Queen Anne's Court subdivision separately from the application to amend the Company's current certificate to include the Cedar Grove/Quail Meadows and Carrollton Meadows territories. It is also expedient to consider the transfer of assets application (Case No. PUA980017) simultaneously with this application for authority to acquire water facilities in the Queen Anne's Court subdivision pursuant to § 56-265.2 and for DLG to transfer its water certificate to C & P pursuant to § 56-265.3.D.

Accordingly,

IT IS THEREFORE ORDERED THAT:

- (1) The Company's application requesting authority pursuant to §§ 56-265.2 and 56-265.3.D for the Cedar Groves/Quail Meadows area of the Brewer's Creek subdivision and for the Carrollton Meadows area of the Ashby subdivision are hereby severed from this proceeding and docketed as Case No. PUE980625.
- (2) The remaining matter is docketed and assigned Case No. PUE980368 for consideration of C & P's application for

authority to acquire water facilities in the Queen Anne's Court subdivision pursuant to \S 56-265.2 of the Code and authorizing the transfer of the water certificate of DLG to C & P pursuant to \S 56-265.3.D of the Code.

- (3) Case No. PUA980017 is hereby consolidated with this proceeding for determination of transfer issues, but shall remain a separate docket.
- (4) The Company shall make a copy of the application and the petition together with applicable tariffs available for public inspection at the office of C & P Isle of Wight Water Company, 20109 Iwip Road, Smithfield, Virginia, during the hours of 9:00 a.m. through 5:00 p.m., Monday through Friday.
- (5) Any interested person wishing to comment on or to request a hearing upon the application for authority to transfer DLG's water certificate shall, on or before November 13, 1998, address such comments or requests for hearing to William J. Bridge, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218 and shall refer to Case No. PUE980368. A copy of such comments shall be sent simultaneously to the company's counsel, Robert W. Jones, Jr., Esquire, Jones and Jones, 1600 South Church Street, Smithfield, Virginia 23430.
- (6) Any person desiring a hearing on the application for authority to acquire water facilities shall, on or before

November 13, 1998, file a written request with the Clerk of the State Corporation Commission at the address specified above, referring to Case No. PUE980368. Such requests shall state with specificity why such issues cannot be adequately addressed in written comments. A copy of such requests will be sent simultaneously to counsel for C & P at the address set out above.

- (7) Any person desiring to comment on the petition for transfer of water facility assets shall, on or before

 November 13, 1998, address such comments to William J. Bridge,

 Clerk, State Corporation Commission, at the address specified

 above, referring to Case No. PUA980017. A copy of such comments will be sent simultaneously to counsel for C & P at the address set out above.
- (8) On or before November 20, 1998, appropriate members of the Commission Staff shall review the application and the petition and shall submit one report detailing their findings and recommendations for Case Nos. PUA980017 and PUE980368.
- (9) On or before October 15, 1998, the Company shall mail the following notice (bill inserts are acceptable) to all customers in the Queen Anne's Court Subdivision.

NOTICE OF APPLICATION AND PETITION OF C & P ISLE OF WIGHT WATER COMPANY CASE NOS. PUE980368 AND PUA980017

Notice is hereby given that C & P Isle of Wight Water Company ("C & P") has applied to the State Corporation Commission for authority to acquire water facilities in Queen Anne's Court subdivision and authorizing the transfer of the water certificate of DLG Utility Corporation ("DLG") to C & P, Case No. PUE980368 ("the Application").

Effective December 1, 1998, C & P proposes a slight increase to the bi-monthly recurring rates for the Queen Anne's Court subdivision as compared to those currently approved for DLG. A copy of the existing combined water and sewer rates of DLG and a copy of the proposed C & P water rates and proposed DLG sewer rates are attached to this notice for comparison.

C & P also has a Petition pending before the Commission requesting approval for C & P to acquire and for DLG to dispose of water facilities in the Queen Anne's Court subdivision, Case No. PUA980017 ("the Petition").

Copies of the Application and the Petition are available for public inspection at C & P's office located at 20109 Iwip Road, Smithfield, Virginia, between the hours of 9:00 a.m. to 5:00 p.m., Monday through Friday. The Application and Petition are also available for public inspection Monday through Friday, 8:15 a.m. to 5:00 p.m. at the State Corporation Commission, Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia. Any person desiring to comment in writing on the Application or to request a hearing may do so by directing such comments or requests, on or before November 13, 1998, to the Clerk

of the Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, referring to Case No. PUE980368. Requests for hearing shall state with specificity why such issues can not be adequately addressed in written comments. A copy of such comments or requests for hearing must also be sent, on or before November 13, 1998, to counsel for C & P, Robert W. Jones, Jr., Esquire, Jones and Jones, 1600 South Church Street, Smithfield, Virginia 23430.

Any person desiring to comment in writing on C & P's Petition to acquire the water assets of DLG may do so by directing such comments on or before
November 13, 1998, to the Clerk of the
Commission at the address set out above,
referring to Case No. PUA980017. A copy of such comments must also be sent to counsel for C & P at the address set out above.

If no requests for a hearing are received on C & P's Application, a formal hearing need not be held and the Commission may make its decisions administratively, based upon the papers filed in this proceeding.

C $\,$ & P Isle of Wight Water Company and DLG Utility Corporation

(10) The Company shall forthwith serve a copy of this Order on the Chairman of the Board of Supervisors of any county and upon the mayor or manager of any county, city, or town (or equalivent officials in counties, towns, and cities having alternate forms of government) lying within the Company's service area. Delivery shall be made by first class mail or

delivery to the customary place of business or residence of the person served.

- (11) On or before November 13, 1998, the Company shall provide the Commission with proof of notice as required in ordering paragraphs (9) and (10).
- (12) C & P shall maintain monthly records detailing the cost, both capital and operating, of providing water service to the Queen Anne's Court subdivision.

QUEEN ANNE'S COURT

EXISTING RATES FOR WATER AND SEWER SERVICE D.L.G. UTILITIES CORP.

1. Service Connections:

Water - 5/8-inch service connection - Actual cost to Company

Sewer - Actual cost to Company

2. Metered Rates:

Monthly - 2,000 gallons - \$50.00 \$2.00 per 500 gallons from 2,001 to 6,000 gallons \$6.25 per 500 gallons over 6,000 gallons

3. Minimum Charge:

There shall be a monthly minimum service charge of \$50.00 per month.

4. Meter Test: \$40.00

5. Late Payment: 1.5% per month on any customer charges

not timely paid.

6. Availability Fees: \$5.00 per month

7. Bad Check Charge: \$15.00

8. Turn-On Charge:

Water: \$20.00 Sewer: \$0.00

QUEEN ANNE'S COURT

PROPOSED RATES FOR WATER SERVICE, EFFECTIVE DECEMBER 1, 1998 C&P ISLE OF WIGHT WATER COMPANY

1. Service Connections: \$800.00

2. Metered Rates:

Bi-Monthly - 6,000 gallons - \$34.00 \$1.15 per 1,000 gallons over 6,000 gallons

3. Minimum Charge:

There shall be a bi-monthly minimum service charge of \$34.00.

4. Meter Test: \$20.00

5. Late Payment: 1.5% per month on any customer charges not timely paid.

6. Bad Check Charge: \$6.00

7. Turn-On Charge: \$25.00

QUEEN ANNE'S COURT

PROPOSED RATES FOR SEWER SERVICE, EFFECTIVE DECEMBER 1, 1998 D.L.G. UTILITIES CORP.

- 1. Service Connections: Actual cost to the Company
- 2. Metered Rates:

Bi-Monthly - 4,000 gallons - \$70.00 \$2.85 per 1,000 gallons from 4,001 to 12,000 gallons \$11.35 per 1,000 gallons over 12,000 gallons

3. Minimum Charge:

There shall be a bi-monthly minimum service charge of \$70.00.

4. Late Payment: 1.5% per month on any customer charges not timely paid.

5. Availability Fees: \$5.00 per month

6. Bad Check Charge: \$15.00